

Important Notice

Fire & Tornado Fund Policy
(July 1, 2008 – June 30, 2009)

To: All State Agency Claims Coordinators

From:

Pamela Farmer
Risk Manager
Extension 4434

Trudy Watkins
Program Coordinator
Extension 4433

Re: Property Damage Claim Reporting Procedures

The information in this notice will help your agency report a claim for property damage to the Division of State Risk. This package should be kept by the person who is responsible for reporting those claims.

As an insured, you have specific responsibilities explained in the policy paragraph "Duties in the Event of Loss or Damage" set forth below:

3. DUTIES IN THE EVENT OF LOSS OR DAMAGE

You must see that the following are done in the event of loss or damage to Covered Property:

- a. Notify the police if a law may have been broken.
- b. Give us immediate notice of the loss or damage. Include a description of the property involved.
- c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage by a Covered Cause of Loss. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses for emergency and temporary repairs, for consideration in the settlement of the claim. This will not increase the Limit of Insurance.
- e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- f. Report and Proof of Loss Form shall be signed and returned by you within 14 days.
- g. Cooperate with us in the investigation or settlement of the claim.

If you need more information, please contact us at (866) 731-4706, ext. 4433 or (502) 564-6055.

Insurance Contact Update

Please complete the following information and return a copy to:

Finance and Administration Cabinet
Division of State Risk and Insurance Services
909 Leawood
Frankfort, KY 40601 #129

Claims Coordinator _____

Address _____

Telephone (____) _____

Certificate Number _____

State Agency _____

Cabinet _____

Or fax completed form to (502) 564-2693

Claim Reporting Instructions
for
Fire & Tornado Fund
July 1, 2008 – June 30, 2009

Your insurance policy has deductibles that are the agency's responsibility after a loss. The insurance begins to pay after the dollar amount of damage exceeds the deductible. Advise all locations to notify you of any claim that exceeds the deductible amounts:

<u>Type of Claim</u>	<u>Deductible Amount</u>
Building/Contents	\$ 500
Inland Marine (including laptops)	\$ 250
Inland Marine Laptop (theft only)	\$ 1,000
Telephone Systems	\$ 1,000
EDP Computer Equipment	\$ 1,000
Business Income	\$ 500

The insurance coordinator is responsible for reporting property damage claims to State Risk when the loss occurs. The following information on the Notice of Loss is necessary to open a claim file:

- ✓ Date of Loss
- ✓ Cause of Loss
- ✓ Property ID Number
- ✓ Location Address
- ✓ Certificate Number
- ✓ Estimated Amount of Loss
- ✓ **Signed and dated by insurance coordinator**

We do not need other information, such as quotes, photographs, and reports, to open the claim file. Supporting information can be submitted any time. **Do not delay** sending the signed and dated Notice of Loss to State Risk.

When a loss occurs, complete the "Notice of Loss" form if you have a claim. For catastrophic losses or damages that exceed \$10,000, please notify Pam Farmer or Trudy Watkins immediately. Mail the signed and dated Notice of Loss to:

Finance and Administration Cabinet
State Risk and Insurance Services Division
909 Leawood
Frankfort, KY 40601 #129

Or fax the signed and dated Notice of Loss to (502) 564-2693.

State Risk will assign a claim number to each new claim and send you the claim number. You should use the claim number on all correspondence and documents to ensure proper matching with the correct claim file.

Claim Reporting Checklist

Fire & Tornado Fund
Buildings ~ Contents ~ Inland Marine ~ Telephone Systems
EDP Computer Equipment ~ Business Income

The insurance coordinator should file a Notice of Loss with State Risk as soon as possible after the loss. Steps 1 through 4 include the information that State Risk needs to open a claim file and the Notice should be mailed or faxed to State Risk as soon as those steps are complete. The remaining information can be provided as it develops.

1. Confirm that the estimated loss is greater than the deductible for that type of claim. For example, the agency is responsible for the first \$500 in damage to personal property, such as a desk. If the damage is greater than \$500, the claims coordinator should prepare and file a Notice of Loss with State Risk.
2. Locate the agency's insurance Certificate Declaration Page. The certificate number and the property ID number will be noted on the policy Declaration Page. Enter the certificate number and property ID number on the Notice of Loss.
3. Complete Sections 1, 2, and 3 of the Notice of Loss.
4. The insurance coordinator **must sign and date the Notice of Loss** for it to be processed.
5. Mail, email, or fax the Notice of Loss to State Risk.
6. As claim investigation develops, send photos of damage whenever possible.
7. Provide itemized repair estimates or replacement quotes from a vendor. A replacement quote must be for the same model if available. If not available, it must be a quote for like kind and quality.
8. Provide documentation of original purchase date, cost, and description for any scheduled item being replaced or repaired.
9. If damaged item is required to be scheduled (mobile equipment, fine arts, inland marine), please provide a copy of the schedule page in effect at the time of the loss listing the damaged item.
10. For damage caused by lightning, have the repair person or vendor complete the "Lightning Loss Verification."
11. If damage is caused by theft, vandalism, or other crime, please provide a copy of the police or incident report.
12. If damages stop the agency's business income operations, please notify Trudy or Pam immediately.

